

may be made to the producer-settlement fund of the order regulating the producer milk used to produce the nonfluid milk ingredients at the difference between the Class I price applicable under the other order at the location of the plant where the nonfluid milk ingredients were processed (but not to be less than the Class III price) and the Class III price. This payment option shall apply only if a majority of the total milk received at the plant that processed the nonfluid milk ingredients is regulated under one or more Federal orders and payment may only be made to the producer-settlement fund of the order pricing a plurality of the milk used to produce the nonfluid milk ingredients. This payment option shall not apply if the source of the nonfluid ingredients used in reconstituted fluid milk products cannot be determined by the market administrator.

[53 FR 52976, Dec. 30, 1988, as amended at 58 FR 27887, May 11, 1993. Redesignated and amended at 59 FR 15324, Apr. 1, 1994; 60 FR 6612, Feb. 2, 1995; 60 FR 18976, Apr. 14, 1995; 62 FR 4, Jan. 2, 1997]

#### **§ 1124.76 Adjustment of accounts.**

Whenever verification by the market administrator of reports or payments of any handler discloses errors resulting in money due:

- (a) The market administrator from such handler;
- (b) Such handler from the market administrator; or
- (c) Any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments set forth in the provisions under which such error occurred following the 5th day after such notice.

[53 FR 52976, Dec. 30, 1988. Redesignated at 59 FR 15324, Apr. 1, 1994]

#### **§ 1124.77 Charges on overdue accounts.**

- (a) Any unpaid obligation of a handler pursuant to §§ 1124.71, 1124.76, 1124.75, 1124.85 or 1124.86 shall be increased 1 percent beginning on the first day after the due date, and on each date of subsequent months following the day on which such type of obligation

is normally due, subject to the following conditions:

- (1) The amounts payable pursuant to this section shall be computed monthly on each unpaid obligation, which shall include any unpaid overdue charges previously computed pursuant to this section; and

- (2) For the purpose of this section, any obligation that was determined at a date later than that prescribed by the order because of a handler's failure to submit a report to the market administrator when due shall be considered to have been payable by the date it would have been due if the report had been filed when due.

- (b) All charges on overdue accounts shall be paid to the fund to which the account was due immediately after the charge has been collected.

[53 FR 52976, Dec. 30, 1988. Redesignated and amended at 59 FR 15324, Apr. 1, 1994]

#### **ADMINISTRATIVE ASSESSMENT AND MARKETING SERVICE DEDUCTION**

#### **§ 1124.85 Assessment for order administration.**

A pro rata share of the expense of administration of the order shall be paid to the market administrator by each handler on or before the 16th day after the end of the month 4 cents per hundredweight, or such lesser amount as the Secretary may prescribe, with respect to:

- (a) Producer milk (including such handler's own production);
- (b) Receipts of concentrated fluid milk products from unregulated supply plants and receipts of nonfluid milk products assigned to Class I use pursuant to § 1124.43(f) and other source milk allocated to Class I pursuant to § 1124.44 (a)(8) and (a)(12) and the corresponding steps of § 1124.44(b), except such other source milk on which no handler obligation applies pursuant to § 1124.60(i) and (k); and

- (c) Route disposition in the marketing area from a partially regulated distributing plant that exceeds the Class I milk:

- (1) Received during the month at such plant from pool plants and other

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order plants that is not used as an off-set under a similar provision of another order issued pursuant to the Act; and

(2) Specified in § 1124.75(b)(2)(ii).

[53 FR 52976, Dec. 30, 1988, as amended at 58 FR 27888, May 11, 1993; 59 FR 15324, Apr. 1, 1994; 62 FR 4, Jan. 2, 1997]

### § 1124.86 Deduction for marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler, in making payments to producers (other than with respect to milk of such handler's own production) pursuant to § 1124.73(a)(2), shall make a deduction of 5 cents per hundredweight of milk or such amount not exceeding 5 cents per hundredweight as the Secretary may prescribe, with respect to the following:

(1) All milk received from producers at a plant not operated by a cooperative association.

(2) All milk received at a plant operated by a cooperative association from producers for whom the marketing services set forth below in this paragraph are not being performed by the cooperative association as determined by the market administrator. Such deduction shall be paid by the handler to the market administrator on or before the 16th day after the end of the month. Such moneys shall be expended by the market administrator for the verification of weights, sampling and testing of milk received from producers, and in providing for market information to producers. Such services are to be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of each producer;

(1) Who is a member of, or who has given written authorization for the rendering of marketing services and the taking of deductions therefore to, a cooperative association;

(2) Whose milk is received at a plant not operated by such association; and

(3) For whom the market administrator determines that such association is performing the services described in paragraph (a) of this section, each handler shall deduct, in lieu of the deduction specified under paragraph (a)

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of this section, from the payments made pursuant to § 1124.73(a)(2) the amount per hundredweight on milk authorized by such producer and shall pay, on or before the 18th day after the end of the month, such deduction to the association entitled to receive it under this paragraph.

### PART 1125—[RESERVED]

### PART 1126—MILK IN THE TEXAS MARKETING AREA

#### Subpart—Order Regulating Handling

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